DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

Petition for Exemption from the

Federal Motor Vehicle Theft Prevention Standard;

FORD MOTOR COMPANY

AGENCY: National Highway Traffic Safety Administration (NHTSA) Department of Transportation (DOT).

ACTION: Grant of petition for exemption.

SUMMARY: This document grants in full Ford Motor Company's (Ford) petition for an exemption of the Fiesta vehicle line in accordance with 49 CFR Part 543, Exemption from Vehicle Theft Prevention Standard. This petition is granted because the agency has determined that the antitheft device to be placed on the line as standard equipment is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the 49 CFR Part 541, Federal Motor Vehicle Theft Prevention Standard (Theft Prevention Standard). Ford also requested confidential treatment of specific information in its petition. The agency will address Ford's request for confidential treatment by separate letter.

DATES: The exemption granted by this notice is effective beginning with the 2015 model year (MY).

FOR FURTHER INFORMATION CONTACT: Ms. Carlita Ballard, Office of International Policy, Fuel Economy and Consumer Programs, National Highway Traffic Safety Administration, 1200 New Jersey Avenue, S.E., West Building, Room W43-439, Washington, D.C. 20590. Ms. Ballard's telephone number is (202) 366-5222. Her fax number is (202) 493-2990.

SUPPLEMENTAL INFORMATION: In a petition dated December 10, 2013, Ford requested an exemption from the parts-marking requirements of the Theft Prevention Standard for the Fiesta vehicle line beginning with MY 2015. The petition requested exemption from parts-marking pursuant to 49 CFR Part 543, Exemption from Vehicle Theft Prevention Standard, based on the installation of an antitheft device as standard equipment for the entire vehicle line.

Under 49 CFR Part 543.5(a), a manufacturer may petition NHTSA to grant exemptions for one vehicle line per model year. In its petition, Ford provided a detailed description and diagram of the identity, design, and location of the components of the antitheft device for the Fiesta vehicle line. Ford stated that the Model Year (MY) 2015 Fiesta will be installed with a passive, electronic immobilizer device using encrypted transponder technology as standard equipment on the entire vehicle line. Ford also stated that depending on the trim level of the vehicle, the device would be equipped with either the SecuriLock Passive Anti-Theft Electronic Engine Immobilizer system (SecuriLock/PATS) or the Intelligent Access with Push Button Start (IAwPB) system on its Fiesta vehicle line. Specifically, Ford stated that the SecuriLock/PATS system will be installed as standard equipment on all Fiesta trim levels except the Titanium package that would instead be equipped with the IAwPB system as standard equipment. Along with Ford's passive immobilizer, key components of the SecuriLock/PATS antitheft system will include an electronic transponder key, powertrain control module (PCM), transceiver module ignition lock and cluster. Key components of the IAwPB system will include an electronic key fob, remote function actuator (RFA), Keyless Vehicle Module (KVM), powertrain control module and Ford's passive immobilizer. Ford further stated that its Titanium package will also be offered with a separate perimeter alarm system as standard equipment. The perimeter alarm

system activates a visible and audible alarm if unauthorized access is attempted. Ford's submission is considered a complete petition as required by 49 CFR 543.7, in that it meets the general requirements contained in §543.5 and the specific content requirements of §543.6.

Ford stated that when the ignition key is turned to the "Run/Start" position on the SecuriLock/PATS system or the "Start/Stop" button is pressed on the IAwPB system, the transceiver module reads the ignition key code and transmits an encrypted message from the keycode to the control module. Once the key is validated, starting of the engine is authorized by sending a separate encrypted message to the powertrain control module (PCM). Ford stated that the powertrain will function only if the keycode matches the unique identification keycode previously programmed into the cluster of the SecuriLock/PATS-equipped vehicles or the RFA in the IAwPB-equipped vehicles. In both systems, if the codes do not match, the vehicle will be inoperable. Ford stated that in both systems, an electronic key will be programmed into the vehicle during system initialization performed at the manufacturing plant. With the IAwPB system, Ford stated that if the programmed key is not present in the vehicle, the engine will not start. Additionally, Ford further stated that the powertrain will function only if the keycode matches the unique identification keycode previously programmed into the Cluster/RFA. Ford also pointed out that in addition to the programmed key, there are three modules that must be matched together in order to start the vehicle, adding an additional level of security to both systems. Specifically, Ford stated that both the SecuriLock/PATS and IAwPB systems' Cluster/RFA and PCM respectively share security data that during vehicle assembly form matched modules that if separated from each other will not function in other vehicles.

In addressing the specific content requirements of 543.6, Ford provided information on the reliability and durability of its proposed device. To ensure reliability and durability of the

device, Ford conducted tests based on its own specified standards. Ford provided a detailed list of the tests conducted and believes that the device is reliable and durable since the device complied with its own specified requirements for each test.

Ford stated that its MY 2015 Fiesta vehicle line will also be equipped with several other standard antitheft features common to Ford vehicles, (i.e., hood release located inside the vehicle, counterfeit resistant VIN labels, secondary VINs and secured cabin accessibility). Ford also stated that incorporation of several other features in both systems further support reliability and durability of the device. Specifically, some of those features include: encrypted communication between the transponder and the control function (Cluster/RFA module) and the PCM; numerous code combinations making key duplication virtually impossible; inability to mechanically override the device to start the vehicle; and any attempt to slam-pull the ignition lock cylinder or short the "Start/Stop" button will have no effect on an intruder's ability to start the vehicle without the correct code being transmitted to the electronic control modules.

Ford compared the device proposed for its vehicle line with other devices which NHTSA has determined to be as effective in reducing and deterring motor vehicle theft as would compliance with the parts-marking requirements. Ford stated that it believes that the standard installation of either the SecuriLock/PATS system or the IAwPB system would be an effective deterrent against vehicle theft.

Ford stated that the SecuriLock/PATS system was introduced as standard equipment on all of its MY 1996 Ford Mustang GT, Cobra and other selected models. Ford also stated that in MY 1997, the SecuriLock/PATS system was extended to the complete Ford Mustang vehicle line as standard equipment. Ford further stated that according to the National Insurance Crime Bureau (NICB) theft statistics, there was a 70% reduction in the theft rate for the MY 1997 Ford

Mustang vehicle line installed with its SecuriLock/PATS system as compared to the theft rate for its MY 1995 Ford Mustang vehicle line not installed with the system.

Ford also reported that beginning with MY 2010, the SecuriLock system was installed as standard equipment on all of its North American Ford, Lincoln and Mercury vehicles but was offered as optional equipment on its 2010 F-series Super Duty pickups, Econoline and Transit Connect vehicles. Ford further stated that beginning with MY 2010, the IAwPB system was installed as standard equipment on the Lincoln MKT vehicles and offered as standard equipment on the Lincoln MKX and optionally on the Lincoln MKS, Taurus, Edge, Explorer and the Focus vehicles beginning with MY 2011. Starting with 2013, the IAwPB has been offered as standard equipment on the Lincoln MKZ and as optional equipment on the Ford Fusion, C-Max and Escape vehicles.

Ford stated that both antitheft systems with a standard equipment immobilizer are of the same design and performance as that of the MY 2006 Ford Focus vehicle line. Ford was granted an exemption for the Focus vehicle line on February 14, 2006 by NHTSA (See 71 FR 7824) beginning with its MY 2006 vehicles. Since the agency granted Ford's exemption for its MY 2006 Focus vehicle line, Ford referenced theft rate data published by NHTSA showing that theft rates for the Focus vehicle line have been gradually decreasing and is currently very close to the theft rate for all vehicles published for MY's 2000-2010. Ford stated that since the SecuriLock or the IAwPB systems (with a standard equipment immobilizer device) will be the primary theft deterrents on Ford Fiesta vehicles, it believes that the very low theft rates are likely to continue or improve in the future. The current theft rate for the MY 2011 Ford Focus is 1.3840 and the average theft rate using three MYs' data (2009-2011) is 1.5179.

The agency agrees that the device is substantially similar to devices installed on other vehicle lines for which the agency has already granted exemptions.

Pursuant to 49 U.S.C. 33106 and 49 CFR 543.7 (b), the agency grants a petition for exemption from the parts-marking requirements of Part 541 either in whole or in part, if it determines that, based upon substantial evidence, the standard equipment antitheft device is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of Part 541. The agency finds that Ford has provided adequate reasons for its belief that the antitheft device for the Ford Fiesta vehicle line is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Theft Prevention Standard (49 CFR Part 541). This conclusion is based on the information Ford provided about its device.

Based on the supporting evidence submitted by Ford on the device, the agency believes that the antitheft device for the Fiesta vehicle line is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Theft Prevention Standard (49 CFR Part 541). The agency concludes that the device will provide four of the five types of performance listed in §543.6(a)(3): promoting activation; preventing defeat or circumvention of the device by unauthorized persons; preventing operation of the vehicle by unauthorized entrants; and ensuring the reliability and durability of the device.

For the foregoing reasons, the agency hereby grants in full Ford's petition for exemption for the Fiesta vehicle line from the parts-marking requirements of 49 CFR Part 541. The agency notes that 49 CFR Part 541, Appendix A-1, identifies those lines that are exempted from the Theft Prevention Standard for a given model year. 49 CFR Part 543.7(f) contains publication requirements incident to the disposition of all Part 543 petitions. Advanced listing, including the

release of future product nameplates, the beginning model year for which the petition is granted and a general description of the antitheft device is necessary in order to notify law enforcement agencies of new vehicle lines exempted from the parts-marking requirements of the Theft Prevention Standard.

If Ford decides not to use the exemption for this line, it must formally notify the agency. If such a decision is made, the line must be fully marked according to the requirements under 49 CFR Parts 541.5 and 541.6 (marking of major component parts and replacement parts).

NHTSA notes that if Ford wishes in the future to modify the device on which this exemption is based, the company may have to submit a petition to modify the exemption. Part 543.7(d) states that a Part 543 exemption applies only to vehicles that belong to a line exempted under this part and equipped with the antitheft device on which the line's exemption is based. Further, Part 543.9(c)(2) provides for the submission of petitions "to modify an exemption to permit the use of an antitheft device similar to but differing from the one specified in that exemption."

The agency wishes to minimize the administrative burden that Part 543.9(c)(2) could place on exempted vehicle manufacturers and itself. The agency did not intend in drafting Part 543 to require the submission of a modification petition for every change to the components or design of an antitheft device. The significance of many such changes could be *de minimis*. Therefore, NHTSA suggests that if the manufacturer contemplates making any changes, the effects of which might be characterized as *de minimis*, it should consult the agency before preparing and submitting a petition to modify.

Authority: 49 U.S.C. 33106; delegation of authority at 49 CFR 1.50.

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Lori K. Summers
Director, Office of Crashworthiness Standards

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